

Taxpayer is a domestic C corporation engaged in the a industry. Taxpayer represents that Corp X, a company based in Foreign Country, has invested in Taxpayer, and began acquiring b percentage of Taxpayer's voting stock on Date 4. Taxpayer seeks to change its accounting period to coincide with the fiscal year of Corp X.

Revenue Procedure 2006-45, 2006-45 I.R.B. 851, provides procedures for certain corporations to obtain automatic approval to change their annual accounting period under § 442 of the Internal Revenue Code. A corporation complying with all the applicable provisions of this revenue procedure has obtained the consent of the Commissioner of the Internal Revenue Service to change its annual accounting period. Section 7.02(2)(a) of Rev. Proc. 2006-45 provides that a Form 1128 filed pursuant to the revenue procedure will be considered timely filed for purposes of § 1.442-1(b)(1) of the Income Tax Regulations only if it is filed on or before the time (including extensions) for filing the return for the short period required to effectuate the change. Taxpayer thinks that, but for the untimely filing of the Form 1128, it would qualify to make the accounting period change under the automatic consent procedures of Rev. Proc. 2006-45.

The information furnished indicates that Taxpayer did not file its Form 1128 by the due date of the return for the short period required to effectuate the change. However, Taxpayer requested an extension of time to file its Form 1128 under § 301.9100-3 shortly after the required time.

Section 301.9100-3(a) provides that requests for extensions of time for regulatory elections that do not meet the requirements of § 301.9100-2 (automatic extensions), such as the instant case, must be made under the rules of § 301.9100-3. Requests for relief under § 301.9100-3 will be granted when the taxpayer provides evidence to establish that the taxpayer acted reasonably and in good faith, and that the granting of relief will not prejudice the interests of the government.

Based on the facts and information submitted and the representations made, we conclude that Taxpayer has acted reasonably and in good faith, and that the granting of relief will not prejudice the interests of the government. Accordingly, Taxpayer has satisfied the requirements of the regulations for the granting of relief, and Taxpayer's late-filed Form 1128 requesting to change from a taxable year ending Date 1, to a taxable year ending Date 2, effective Date 3, is considered timely filed.

Because a change in accounting period under Rev. Proc. 2006-45 is under the jurisdiction of the Director, Internal Revenue Service Center, where the taxpayer's returns are filed, we are returning your Form 1128 so that you may forward it to the Director, Y Service Center, for processing under that revenue procedure. The Form 1128, along with the Form 1120, *U.S. Corporation Income Tax Return*, for the short period ending on Date 3, and a copy of this letter, must be submitted to the Y Service Center within 45 days of the date of this letter. Alternatively, if Taxpayer files its returns

electronically, Taxpayer may attach a statement to its return that provides the date and control number of this letter ruling.

This ruling is based upon facts and representations submitted by Taxpayer and accompanied by a penalty of perjury statement executed by appropriate parties. This office has not verified any of the material submitted in support of the request for a ruling. However, as part of an examination process, the Service may verify the factual information submitted and representations made.

This ruling addresses only the granting of § 301.9100-3 relief. We express no opinion regarding the tax treatment of Taxpayer under the provisions of any other sections of the Code or regulations that may be applicable. Specifically, we express no opinion as to whether Taxpayer is permitted under the Code and applicable regulations to change to the tax year requested in the Form 1128, or whether the change may be effectuated under Rev. Proc. 2006-45.

This ruling is directed only to the taxpayer requesting it. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent. Enclosed is a copy of the letter ruling showing the deletions proposed to be made when it is disclosed under § 6110.

In accordance with the provisions of a power of attorney currently on file, we are sending copies of this letter to Taxpayer's authorized representatives.

If you have any questions concerning this letter, please contact the individual whose name and telephone number appear at the beginning of this letter.

Sincerely yours,

Donna Welsh
Senior Technician Reviewer,
Branch 4
Office of Associate Chief Counsel
(Income Tax & Accounting)

Enclosures:

Copy for § 6110 purposes
Form 1128